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SOURCE Newspapers as indicated.

NORTHEAST PROMOTES COMMERCE BY BARTER;
SCORES MINISTRY OF COMMERCE SALES PROGRAM

WELCOMES BARTER AGREEMENT WITH USSR - Shingana Pao, 9 Aug 49

Shen-yang, 7 August (NCPA) -- Various communities in the Northeast enthusiastically support the new border agreement with the Soviet Union, as the answer to the coastal blockade and the basis of new hope for China's industrialization. All circles in Shen-yang are discussing it.

A rubber factory worker, Yen Ch'ing-shien, put it this way: "When the KMT was trading with America, quantities of airplanes were shipped to the US in return for such minor articles as bolts and raincoats. The Soviet Union, however, sends us machinery in exchange, helping us to set up industries. This proves that the Soviet Union is our good friend." Many laborers in the plant say that since the farmers turn over to the state, their farm products, which are exchanged for machines and gasoline, the workers should speed production, improve quality, fight waste, and manufacture more goods to meet the needs of farmers.

Lu Kiang-shan, president of the Shao-ying Industry and Commerce Association, said: "We must extend this agreement until it covers our whole nation and must also trade with the new democracies of eastern Europe."

TRADE FAIRLS TO SERVE INDUSTRY -- Tung-pai Shih-pao, 14 Aug 49

From the viewpoint of serving industry, the Northeast Ministry of Commerce has been listless in the pushing of sales, resulting in the accumulation of goods worth 600 billion yuan, and much obstruction of manufacturing of goods.

The Northeast Executive Committee had previously decided that beginning with March 1949, all manufactured goods produced by enterprises under the Ministry of Industry were to be sold through the Ministry of Commerce. Investigation reveals serious defects in the marketing program.

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By the end of July 1949, huge amounts of fertilizer, cement, oils, paper, tires, and rubber shoes had accumulated in the warehouses because the Ministry of Commerce did not effectively push the sale of state-controlled factory products. When turnover is small, capital dries up and industry suffers. The Ha-erh-pin Cement Plant had to close down, the Fu-shun Gas Works had to reduce output by 15-30 percent, and many products spoiled or were wasted. Stagnant trade conditions hindered industrial rehabilitation elsewhere, causing a serious problem for the Northeast.

The Ministry of Commerce sells easily disposed-of consumers' goods while neglecting the products of state industries. In buying, the ministry concentrates on bristles and horse-tails for export, which makes possible the buying of plant equipment, but neglects the purchase of raw materials. A closer coordination between the two activities is very desirable.

The month of August 1949 should be devoted to furthering such coordination by effecting the following:

1. An over-all plan covering the broader aspects of the economy and embodying contracts for selling.
2. Coordinate plan by both ministries for common implementation.
3. Assignment of some goods to state stores as regular outlets, and of other goods to them as selling agents, in accord with prevailing conditions.
4. More versatility in storing and marketing, with expansion of sales outlets.
5. A better flow of goods between city and country, using trust companies, rural service agencies, etc.

SHANTUNG-NORTHEAST TO BARTER GOODS -- Tung-pai Jih-pao, 26 Nov 49

Shen-yang -- Northeast representatives now in Ch'ing-tao and Shan-yang are engaged in working out the details of a barter agreement between the head office of the Chiao-tung (East Shantung) Trading Corporation of the East China Liberated Area, and the Northeast Export Company designed to facilitate exchange of goods between the two areas. Even before the signing of the agreement, the Chiao-tung Trading Corporation began, about 20 August 1949, the first of monthly shipments to An-tung of 90,000 bolts of cloth. The Northeast is sending in exchange 15,000 tons of grain, 2,000 cubic meters of lumber, 500 tons of bean oil, 150 tons of kerosene oil, 200 tons of sugar, bones, and glue from its surplus stocks.

The Liaotung Provincial Office of Commerce is serving as agent for the Northeast Export Company in this matter. The first shipment from An-tung, comprising 450 tons of corn, 6.7 tons each of sugar and bean oil, has already reached Ch'ing-tao. The second shipment, which includes 200 tons of corn, is now being loaded at An-tung. It is anticipated that both areas will benefit greatly by this arrangement.

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